

1 LTL ATTORNEYS LLP
2 Joe Tuffaha (State Bar No. 253723)
joe.tuffaha@ltlattorneys.com
3 Prashanth Chennakesavan (State Bar No. 284022)
prashanth.chennakesavan@ltlattorneys.com
4 300 S. Grand Avenue, 14th Floor
5 Los Angeles, California 90071
6 Telephone: 213-612-8900
Facsimile: 213-612-3773

7
8 Attorneys for Defendants
9 Robert Goldstein and DRG Strategic, LLC
d/b/a Meridian Global

10 **UNITED STATES DISTRICT COURT**
11 **CENTRAL DISTRICT OF CALIFORNIA**

13 MATTHEW PLISKIN, AS
14 TRUSTEE OF THE ICPW
15 NEVADA TRUST

16 Plaintiff,

17 v.

18 ROBERT GOLDSTEIN and DRG
19 STRATEGIC, LLC d/b/a
20 MERIDIAN GLOBAL,

21 Defendants.

Case No: 2:18-cv-09491 FMO (ASx)

**DECLARATION OF ROBERT
GOLDSTEIN IN SUPPORT OF
DEFENDANTS' MOTION TO
DISMISS**

[Notice of Motion and Motion to
Dismiss and [Proposed] Order filed
concurrently herewith]

Hearing:
Date: February 14, 2019
Time: 10:00 a.m.
Crtrm: 6D

Judge: Hon. Fernando M. Olguin

DECLARATION OF ROBERT GOLDSTEIN

I, Robert Goldstein, declare as follows:

1. My name is Robert Goldstein, I am over twenty-one (21) years of age, and competent to make this declaration. The facts stated in this declaration are within my personal knowledge and are true and correct.
2. I am the Managing member of DRG Strategic, LLC (“DRG Strategic”). DRG does business as Meridian Global (“Meridian”). DRG Strategic and Meridian will be collectively referred to herein as “DRG.” It is through my position with DRG, my duties and responsibilities with and for DRG, the business records of DRG and my continued involvement with the DRG that I have knowledge of the facts set forth herein.
3. I have worked in the clothing and textile industries as a garment importer and trader for over 20 years. DRG’s primary business is contracting with purchasers of clothing and textile goods and with factories who manufacture such clothing and textile goods, including private label goods, to be supplied to various wholesale and retail customers. I have worked with factories in China, Bangladesh, Vietnam, India and other countries.
4. In the course of my business, I negotiated on several occasions with Jeffrey Cordes (“Cordes”) and William Aisenberg (“Aisenberg”), among others, while they were employed with Wall Industries and while they were employed with Ironclad Performance Wear (“Ironclad”) for the purchase by their respective employers of various clothing and textile goods. All these business dealing occurred in the Dallas-Fort Worth area (“DFW”).
5. In 2015, Cordes and Aisenberg contacted me in the DFW area in connection certain gloves Ironclad owned that were in Canada. Cordes

1 and Aisenberg mentioned something about litigation in Canada and
2 restrictions that prohibited Ironclad from selling the gloves with the
3 current labels and also prohibited and restricted Ironclad itself from
4 relabeling the gloves. I was asked by Cordes and Aisenberg to purchase
5 the glove and have them shipped to China, Bangladesh or some other
6 offshore entity for relabeling, and then to sell the relabeled gloves into
7 offshore markets. Ironclad said they were restricting DRG's sales efforts
8 to offshore markets so as not to interfere with their markets and marketing
9 in the United States. I told them relabeling and selling goods in the Asian
10 markets was not something DRG had done, but it would try. We
11 negotiated an agreement with respect to the gloves. All of these
12 conversations and negotiations occurred in DFW. Under the terms of the
13 agreement, DRG was to pay a certain price for the gloves, DRG was
14 responsible for and would pay for the relabeling of the gloves and attempt
15 to sell the relabeled gloves to offshore markets. If DRG was successful in
16 selling any or all of the gloves to offshore markets, it kept any amount
17 over the price it paid Ironclad for the gloves and the cost of relabeling
18 same. If DRG was unable to sell any or all of the relabeled gloves into
19 offshore markets, Ironclad would purchase the relabeled gloves from
20 DRG at an agreed upon price.

21 6. I contacted several of the overseas factories and persons with whom DRG
22 had done business in the past about relabeling and purchasing the
23 relabeled gloves. None expressed a real interest and expressed various
24 concerns as they were in the business of manufacturing, selling and
25 exporting goods rather than importing, relabeling and purchasing goods.
26 Other issues arose concerning DRG relabeling and selling the gloves in
27 the offshore markets.

1 7. I informed one or more of Ironclad's employees of the problems I was
2 experiencing in getting the gloves relabeled overseas and they suggested I
3 contact a third-party relabeling company. Ironclad gave me the name of a
4 contact person and I contacted this person about relabeling of the gloves. I
5 learned the relabeling company was AMS. I was never told AMS was in
6 anyway related to Ironclad or that the relabeling would occur in an
7 Ironclad facility and it was my understanding that AMS was a separate
8 company with its own relabeling facilities. AMS agreed to accept the
9 gloves, relabel them and then ship them to a location or locations that
10 would be provided to AMS after relabeling was completed.

11 8. DRG performed its part of the agreement with all such performance
12 occurring in the DFW area. After arranging to have and having the gloves
13 shipped to AMS and relabeled, DRG tried but was unsuccessful in selling
14 the gloves to offshore markets. DRG paid AMS for relabeling of the
15 gloves. Pursuant to the parties' agreement Ironclad purchased the
16 relabeled gloves from DRG. Ironclad contacted DRG on two other
17 occasions in connection with this same agreement. Each time the gloves
18 were relabeled and DRG was unable to sell any of the gloves into offshore
19 markets and sold them to Ironclad.

20 9. All of the gloves were relabeled as requested and AMS was fully paid by
21 DRG for the relabeling. Neither Ironclad nor AMS ever raised any issues
22 or asserted any claims with respect to the relabeling of the gloves. Upon
23 information and belief, after DRG sold the relabeled gloves to Ironclad,
24 Ironclad was successful in selling the relabeled gloves.

25 10. All conversations and negotiation DRG had with any Ironclad employees
26 occurred in DFW. All agreements DRG entered into with Ironclad were
27 entered into in DFW. DRG sent all invoices to Ironclad in DFW and

1 payment of same were made by Ironclad in DFW. DRG's conversations
2 and negotiations with AMS occurred by telephone while I was in DFW.
3 DRG received all invoices from AMS in DFW and all payments to AMS
4 were made by DRG in DFW. At no time did I or anyone else from DRG
5 go to California in connection with the gloves in question. I have never
6 been to AMS's warehouse in California. DRG does not do any business in
7 California on a regular, constant or consistent basis.

8 11. I was never unaware of any accounting issues or other financial dealings
9 of Ironclad or of any employees of Ironclad, including Aisenberg and
10 Cordes. At no time did anyone from Ironclad tell me they were entering
11 into the transactions concerning the gloves in order to change, alter or
12 otherwise affect any promises that were made, sales forecasts, inventory
13 values, revenues or growth numbers. At no time did anyone from Ironclad
14 tell me about any representations that management of Ironclad made to
15 the Ironclad's Board of Directors, including about Ironclad's projected
16 sales, revenue growth, inventory values, or any other financial information
17 about Ironclad.

18 12. Neither I nor DRG has ever maintained a residence or office in California
19 and do not regularly conduct business in California. DRG has never had
20 any employees in California. It would be a burden on me and DRG to
21 defend this lawsuit in California. DRG is a small family owned business
22 with no employees and minimal resources to spend on lawsuits. It is my
23 understanding and belief that the former Ironclad employees with whom I
24 dealt, including Aisenberg and Cordes, now reside in Texas, Florida and
25 Michigan.

26
27 I declare under penalty of perjury under the laws of the United States that the
28 foregoing is true and correct.

1
2 Executed on this 16th day of January, 2019 in Dallas, Texas.
3
4

5 ROBERT GOLDSTEIN
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28